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Editorial by State Senator Cameron S. Brown, R-Fawn River Township July 20, 2005

## Governor passes on opportunity to save consumers millions at the pump as gas prices hit record highs

As gas prices skyrocket to record highs, Michigan motorists are demanding something be done. While many factors contributing to recent price spikes are global in nature, there is one action that can be taken at the state level to lessen the financial burden on Michigan's motoring families.

The state can help ensure consumer protection at the pump through the inspection of gas stations by the Michigan Department of Agriculture (MDA). These pump inspections can help ensure Michigan consumers receive the quantity and quality of gas they are paying for.

While prices soar to new heights, Gov. Granholm recently seized the opportunity to advertise her support for increased inspections on an "at-risk" basis, meaning past violators will be the prime candidates for repeat inspections. This is a step in the right direction, but it falls short of legislation passed last year to hire up to 17 new inspectors for an enhanced level of statewide inspections.

The Legislature acted after a MDA study identified quality and quantity compliance rates at Michigan gas stations were below the national average. Seventy-one percent of stations were compliant for quality, while 88 percent were compliant for quantity. Both were below the national averages of 95 percent. This means Michigan consumers are being overcharged \$300 million per year by not receiving the octane quality or the correct quantity that some pumps indicate.

When the Legislature acted last year, gas prices were approaching \$2 a gallon. While facing massive budget shortfalls, the Legislature creatively used \$1.3 million of restricted revenue from the Michigan Underground Storage Tank Financial Assurance fund for the MDA to hire much-needed additional gas station inspectors. It is important to emphasize that these were not general fund tax dollars, but restricted revenue from oil and gas industry fees. This budget proposal was overwhelmingly supported by both the Michigan Senate and House of Representatives, and signed into law by Gov. Granholm.

In spite of the Legislature's expressed intent and the governor signing to appropriate these funds, she chose not to expend the money for the purpose intended. To this day, as prices soar over \$2.50 a gallon, not a single new inspector has been hired. Instead, the governor allowed the \$1.3 million allocated by the Legislature to lapse.

While the governor's office recently touted gas-station inspections on an "at-risk" basis, this is too little, too late. The inspections have gone begging for nearly nine months of the fiscal year. In that time, Michigan consumers have overpaid an additional \$225 million at the pump.

The governor has passed on an important opportunity to save Michigan consumers hundreds of millions of dollars at a time when they need relief. This year, the Legislature has again made gas-station inspections and protecting consumers at the pump a top priority by reinstating the appropriation for new inspectors. If the governor signs this appropriations bill again, I hope she upholds the commitment to Michigan's traveling public that her signature indicates.

Senator Cameron S. Brown is chair of the Agriculture Subcommittee. He is serving his first term in the Michigan Senate representing the state's 16th Senate District including Branch, Hillsdale, Lenawee and St. Joseph counties.